CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

AUGUST 5, 2008

INVOCATION:
Pastor Carl Nielsen of Bethel Lutheran Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Orach led the Pledge of Allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Director of Public Works/City Engineer Whitehead, Director of Administrative Services Snodgrass, Planning Division Manager Woods, Police Chief Macagni, Fire Chief Ortiz, Director of Utilities Sweet, and Chief Deputy City Clerk Perez.

PROCLAMATION – NATIONAL HEALTH CENTER WEEK
Councilmember Patino read a proclamation declaring the week of August 10-16, 2008, as "National Health Center Week" in the City of Santa Maria and urging residents to recognize the important contributions of Community Health Centers of the Central Coast in safeguarding the health and improving the quality of life for all people in the community. The proclamation was accepted by Ron Castle, CEO of Community Health Center.

PUBLIC COMMENT
Richard Dydell spoke about the H-2A Federal Ag Workers Program.

Maria Chavez spoke about Consent Agenda Item 3E, an Entertainment License for Garibaldi's Restaurant. She thanked the Council for its support of the restaurant and asked for their support of the Entertainment License.

Sharon Knotts spoke about pro-illegal immigration groups and the Minuteman Civil Defense Corps and asked that the animosity against the Minuteman Civil Defense Corps stop.

CONSENT CALENDAR
Councilmember Trujillo requested Item 3J be pulled for comment. Councilmember Patino requested Item 3I be pulled for comment and Councilmember Zacarías requested Item 3E be pulled.

Item 3E – Entertainment License for Garibaldi's Restaurant
Councilmember Zacarías stated she wanted to highlight the fact that the City worked in partnership with business owners and thanked the members of City staff who helped to make this business work. She said there was an adult form of entertainment that had taken place at the restaurant recently, and she wanted to make sure this license would not permit that type of entertainment.

City Attorney Trujillo stated this Entertainment License would be restricted to what was listed in the application. Any type of non-patron dancing would not be permitted.

Councilmember Zacarías asked what live entertainment would entail.

City Attorney Trujillo explained that live entertainment was defined in the Community Development Department conditions of approval.

Councilmember Zacarías stated one of her hopes for Town Center West was to create a safe, fun environment where businesses thrive and people would be drawn to. That was done by creating rules and regulations for the businesses to follow.

Item 3I – Alvin Elementary Safe Routes to School Improvements
Councilmember Patino stated these improvements were being paid for 90 percent by grants from the State and a 10 percent match from local Gas Tax funds. The impact to the community was very positive because it would provide new ADA handicap accessible ramps, sidewalks, and new school signage so the students could walk and bicycle safely to school.

Item 3J – Proposed Speed Limits
Councilmember Trujillo stated he did not know how the City could get the people to be more considerate in the way they drive on City streets. There seemed to be a propensity to drive too fast. He asked the public to be more concerned about driving on City streets, especially in school areas.

Councilmember Orach stated he brought up the McClelland Corridor because with the new library opening, there would be more people coming to that area. With the angle parking, it was difficult to back up with cars going 35 mph or more down that street. This would be a more reasonable speed for people driving through that area.

Consent Calendar Items A through K were approved on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES:	Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of July 15, 2008, were approved as submitted.

C. WARRANTS
Warrant Nos. 143548 to 144044 in the amount of $7,579,762.60 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 143419, 143259, 143433, 143672, and 143900 were cancelled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. ENTERTAINMENT LICENSE
Resolution No. 2008-120 was adopted approving an Entertainment License for Garibaldi's Restaurant, located at 229 Town Center West, Suite A-17, to allow entertainment in the form of Mariachi bands, live entertainment, disc-jockey music, live music, and dancing subject to certain conditions.

Resolution No. 2008-120 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ENTERTAINMENT LICENSE FOR GARIBALDI'S RESTAURANT.

F. ORDINANCE NO. 2008-14

Council conducted the second reading of Ordinance No. 2008-14 by title only and adopted the Ordinance rezoning property for the Sharer Brothers Project located at the northeast corner of South Blosser Road and Boone Street from 6.2 acres of CM (Commercial Manufacturing) to 1.35 acres of PD/R-3 (Planned Development/High Density Residential) and 4.85 acres of PD/C-2 (Planned Development/General Commercial).

Ordinance No. 2008-14 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, REZONING PROPERTY FOR THE SHARER BROS. PROJECT LOCATED AT 422 AND 512 SOUTH BLOSSER ROAD, ASSESSOR'S PARCEL NUMBERS 123-090-006 AND -007, 6.2 ACRES (FILE NO. GPZ-2007-004)

G. ORDINANCE NO. 2008-15

Council conducted the second reading of Ordinance No. 2008-15 by title only and adopted the Ordinance amending Chapter 26 of Title 12 pertaining to intrusions, like patio covers, into setback areas.

Ordinance No. 2008-15 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING CHAPTER 12-26 OF THE SANTA MARIA MUNICIPAL CODE, RELATING TO INTRUSIONS INTO YARDS.

H. AWARD OF BID

Resolution No. 2008-121 was adopted awarding the bid and approving an agreement with Elevation General Engineering Contractors, for Bid No. 2009/04, Street Reconstruction-West Creston/Marlberry Street/Palmetto Drive in the amount of $369,124.

Resolution No. 2008-121 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH ELEVATION GENERAL ENGINEERING FOR STREET RECONSTRUCTION – WEST CRESTON STREET/MARLBERRY STREET/PALMETTO DRIVE, BID NO. 2009-04.

I. CALL FOR BIDS

Council gave approval to call for bids for Bid No. 2009/05, Alvin Elementary "Safe Routes to School" Improvements.

J. SPEED LIMITS

Ordinance No. 2008-16 was introduced by title only for first reading and continued to the next meeting for second reading and adoption setting speed limits on McClelland Street between Cook Street on the north and Jones Street on the south at 25 miles per hour and on East Main Street between Suey Road on the west and the easterly City-limit line on the east at 45 miles per hour.

Ordinance No. 2008-16 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING CHAPTER 704, SPEED LIMITS, OF THE SANTA MARIA MUNICIPAL CODE.

K. APPROVING AGREEMENT

Resolution No. 2008-122 was adopted ratifying an agreement with Golder Associates Incorporated, and authorizing the Director of Utilities to execute the agreement for preparation of a Joint Technical Document for the City of Santa Maria Integrated Waste Management Facility-Los Flores Ranch.

Resolution No. 2008-122 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, RATIFYING AN AGREEMENT WITH GOLDER ASSOCIATES, INCORPORATED, FOR THE CITY OF SANTA MARIA INTEGRATED

WASTE MANAGEMENT FACILITY – LOS FLORES RANCH JOINT TECHNICAL DOCUMENT PREPARATION.

POLICY DECISION AND APPOINTMENTS TO BLOCK GRANTS ADVISORY COMMITTEE.

Chief Deputy City Clerk Perez gave the staff report. This item consists of two parts. The first is a policy issue raised by Mayor Pro Tem Orach at the last meeting regarding a potential conflict of interest if a paid staff member of a non-profit organization was appointed to serve on the Block Grants Advisory Committee. At the request of Council, staff polled the current members of the Block Grants Advisory Committee. While some members of the Committee felt there might be the appearance of a conflict of interest, other members did not perceive a problem as long as the individual recused himself or herself from discussion or voting on their employer's application. The overall sense was that the Committee and its members should police themselves and each other. The City Attorney has opined that appointing a paid employee of a non-profit organization would not present a conflict of interest provided the employee did not participate in any decisions concerning his or her employer. In the past there have been committee members who were employed by non-profit agencies, and there are currently two members who are employees of local churches. Staff also contacted the cities of Lompoc and Santa Barbara regarding their human service commissions. Lompoc does have a policy that prohibits members to be paid staff of any human service organization in the Lompoc Valley. Santa Barbara only requires that the member disclose a conflict of interest and refrain from participating in discussion or voting. The second part of the item is making appointments to the Block Grants Advisory Committee. There are currently five vacancies on this Committee. Each Councilmember has the opportunity to nominate a person to fill one of the vacancies. The individuals appointed will serve for a three-year term. Eight applications were received.

Policy Issue

Councilmember Orach stated it was the appearance of conflict that concerned him. He did not think there had been any impropriety reported in the past. He said he realized there were board members from local non-profit organizations who served on the Committee, but they were not paid employees. Churches did not usually request Community Development Block Grant funds. He felt uncomfortable having a paid staff member making decisions regarding funding for non-profit organizations on behalf of the public. He said he would go with the will of the Council.

Councilmember Trujillo stated individuals who were paid staff of non-profit organizations were usually experts in their field. Given the fact that they knew there would be a conflict of interest, they could recuse themselves. People were intelligent and knew they should step down when it came to making decisions impacting their agency. He did not see it as an impediment.

Councilmember Zacarias stated she was a paid employee of a non-profit organization and had served on boards for many years. If there were two or more board members from the same organization, that could be a problem. Attention should be paid to these issues, but many of these people brought a wealth of experience and expertise to the Committee. They could be advocates and coaches to the other Block Grant Advisory Committee members who may not have that same experience and expertise. She would agree to limit the number of committee members who come from the non-profit sector so there would not be a majority on the Block Grants Advisory Committee.

Councilmember Patino stated whether they were paid staff or board members of a non-profit organization, they could skew the decisions. She suggested it might be a good policy to exclude both paid staff and board members of non-profits from serving. Most people were willing to disclose their conflicts. Those individuals did provide a lot of expertise to the Committee.

Mayor Lavagnino stated he didn't have a big problem with paid staff serving on the Committee. He believed in the integrity of the individuals who were willing to serve,

and felt the individuals would make any conflict known to the Committee. He did not believe there had been a problem in the past.

On motion by Councilmember Orach, seconded by Councilmember Trujillo, and carried unanimously, the status quo for appointments was to be retained and no new policy instituted.

Appointments to the Block Grants Advisory Committee

Councilmember Trujillo nominated incumbent Bodil Cudd.
Councilmember Patino nominated Alesia Yglesias.
Councilmember Zacarías nominated Laura Mojaher.
Councilmember Orach nominated incumbent Dennis Carter.
Mayor Lavagnino nominated incumbent Robert Dickerson.

On motion by Mayor Lavagnino, seconded by Councilmember Orach, and carried unanimously, the nominations were accepted and the five appointments were made to the Block Grants Advisory Committee for three-year terms of office.

PRESENTATION OF THE SANTA MARIA VALLEY CHAMBER OF COMMERCE ECONOMIC DEVELOPMENT COMMISSION YEAR-END REPORT FOR THE PERIOD JULY 1, 2007, THROUGH JUNE 30, 2008.

Robert Hatch, Chairperson of the Economic Development Commission (EDC), presented the report. During the last half of the third year of the Economic Development services contract, the focus remained on the retention of existing businesses. Every one of the first-year goals was addressed and a program of work was developed for each. Second year objectives were also added to the program of work. Earlier this year, the EDC finalized its third year objectives. A new contract between the City and the Chamber (EDC) was approved. Additional Goals and Objectives were ratified by the EDC and presented to the City during contract negotiations. Ads were placed in the *Skywest Magazine Special Commemorative Edition, Expansion Management Magazine*, and *Pacific Coast Business Times*. During the first half of the year, the Commission remained engaged with local companies to assure them that they have a key ally in the Chamber. In addition, the Commission and Chamber staff members have continued to provide advice and assistance to numerous companies seeking to expand or relocate their operations. A relationship has been formed with the Santa Maria Manufacturer's Group to help in the promotion of common ideals. Since its last report, the Commission received a sizeable grant from Pacific Gas and Electric to be used for economic development, continued to distribute marketing material for the Revolving Loan Fund program, continued support of community forums which promote the virtues of Santa Maria and Northern Santa Barbara County, remained involved in the Central Coast Marketing Team, and continued to promote and monitor the Chamber website which includes an entire section devoted to economic development. He announced that he had a list of 13 active business prospects the Committee was working on that he would be presenting to the City Manager.

Mayor Lavagnino asked about the Canadian farming business and where that was in the process.

Mr. Hatch replied that it was hydroponic tomato farming business. They were continuing to work with that business and providing them with the information they requested. It was an excellent prospect for the City and would serve a great benefit to the community.

Councilmember Orach said he thought it was important that the new Airport District Manager be on the EDC once a new manager was appointed. He also asked about PG & E and the Manufacturer's Association program.

Mr. Hatch explained that going green was an important issue now for businesses. They put on a seminar in conjunction with the Manufacturer's Association with representatives from PG & E, the Gas Company, the City, and the County of Santa

Barbara discussing the advantages and rebates available for participating in green programs.

Councilmember Trujillo commended Mr. Hatch for the work he does and for making things happen.

Nicholas Miller, Santa Maria Valley Wine Country, spoke in support of the Chamber of Commerce and their support of the wine industry.

Councilmember Zacarias referenced a chart showing the different activities of the Economic Development Commission, and asked if the business retention activities were for all businesses in the community and not just Chamber members. She also asked about workforce development and what that entailed. She asked about relationships that had been developed and how they were connected with emerging or current industries.

Mr. Hatch stated they certainly worked with all businesses in the community, not just Chamber members. As far as workforce development, they had not been too involved with that except for their work with the one-stop center and the incentives that were available for workforce development. Usually, they referred prospective businesses to the appropriate agencies.

Councilmember Zacarias talked about the Center for Employment Training (CET) and how that organization could be involved in providing appropriate training for some of the prospective businesses. She also talked about business rehabilitation and location and what that meant.

Mr. Hatch stated often times they were contacted by a company who was interested in doing something with their business such as relocating or expanding and needed to know what resources were available. EDC staff met regularly with City staff and passed along the programs that were available through the City to businesses.

Councilmember Zacarias asked for more outreach into the Latino business community to communicate what programs were available to them as those businesses provided employment and services to families in the community.

The City Council thanked Mr. Hatch and received and filed the report.

PRESENTATION OF THE SANTA MARIA VALLEY CHAMBER OF COMMERCE AND VISITOR AND CONVENTION BUREAU YEAR-END REPORT FOR THE PERIOD OF JULY 1, 2007, THROUGH JUNE 30, 2008, AND THE 2009 MARKETING PLAN.
Robert Hatch, President/CEO of the Santa Maria Valley Chamber of Commerce, introduced members of the Board of Directors who were present and Gina Keough, Visitor and Convention Bureau Manager, who gave the Year-End Report. During the 2007-08 fiscal year, transient occupancy tax increased over last year totaling $2,396,491.19. With the purpose of encouraging more interaction and input into their marketing strategies, the VCB Committee was reshaped into the VCB Marketing Committee. West Coast Kustoms held its first show in its new location at the Santa Maria Fairpark over Memorial Day weekend. The event exceeded the organizer's expectations with spectators from all over the Country attending. The VCB was able to spotlight the Santa Maria Valley at the National Tour Association's Spring Meet in Connecticut. Bureau staff attended the Arizona Travel Show to promote the Allegiant Air flights into Santa Maria from Mesa/Phoenix, Arizona, and the Travel Industry Association's International Pow Wow in Las Vegas. Sunset Celebrations Weekend, held in Menlo Park, was attended by VCB staff and hotel partners from the Holiday Inn Hotel and Radisson Hotel. The May 2008 issue of *Chile Pepper* Magazine featured eight pages dedicated to Santa Maria Style Barbecue and Santa Maria wines.

Council thanked Ms. Keough and the staff of the Chamber of Commerce for their hard work and the detailed report and received and filed the report.

A RESOLUTION OPPOSING PROPOSED STATE BUDGET DECISIONS.
City Manager Ness gave the staff report. California is in another State budget crisis without a long-overdue budget, and the State Legislature is considering borrowing $2.7 billion of local government revenue to help close the State's projected $15.2 billion deficit. California's voters spoke loudly at the polls in 2004 and 2006 when they strongly approved protections for local government and transportation revenues by the passage of Proposition 1A. Since 1991, the State has taken $18,091,623 from the City of Santa Maria. The impact to the City of Santa Maria, if the Legislature raids local government revenues, would be in the range of $2.3 million to $3.1 million. Although the "borrowed' money must be repaid within three years, such a raid would be highly disruptive to City services. In addition, the Department of Justice is proposing new fees be charged for services they provide to local governments. It would amount to $383,000 a year for the City. The most recent tax initiative proposed by the Governor to break the budget deadlock is a one percent increase in sales tax for three years in exchange for budget reform. The Democrats favor the tax increase while the Republicans favor the raid of local government funds. Borrowing local government funds would compound the State's structural budget deficit and undercut both voter and investor confidence in the economy.

Mayor Lavagnino stated he would like permission from the Council to write a letter to Sam Blakeslee and Abel Maldonado that the City would prefer an increase in sales tax rather than raiding City funds.

City Manager Ness stated he did not know if the general public would agree with that when faced with high gas and food prices. The letter should indicate that the State needs to balance its budget by themselves and not on the back of local government. If the legislature favors increasing the sales tax by one percent, it would be placed on the ballot for all the voters of California to vote on. Measure A is also on the ballot in November so local sales tax measures might suffer by having a State-wide sales tax measure on the ballot as well. In June, the City adopted its $55 million budget for 2008-09. This balanced budget was developed based upon available financing sources along with a number of cost-saving measures. The City's spending plan is a product of deficit financing, reductions in departmental operating budgets, deferral of cost allocations, and the postponement of numerous equipment purchases and capital projects.

Mayor Lavagnino stated the State of California Legislature needs to figure out that they have to be more responsible in their spending. He asked for Council concurrence to send letters.

Council concurred with Mayor Lavagnino sending a letter to Assemblyman Blakeslee and Senator Maldonado.

Resolution No. 2008-123 was adopted opposing State budget decisions that would negatively impact the City on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES:	Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2008-123 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA OPPOSING FISCALLY IRRESPONSIBLE STATE BUDGET DECISIONS THAT WOULD DIRECTLY HAVE A NEGATIVE FINANCIAL IMPACT ON THE CITY.

CITY MANAGER'S REPORT
City Manager Ness reported on items expected for the August 19, 2008, City Council meeting including a public hearing for a General Plan Amendment and Zone Change for Mahoney Ranch, the 4th Quarter Financial Report, a discussion of street vendors, and an ABC License for Trader Joe's.

City Manager Ness introduced Julian Ramos from the Santa Maria Times who would be the City's new beat reporter, replacing Malia Spencer.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Trujillo reported on his family reunion in Colorado. He also reported on a woman from Chile who was visiting his Rotary Club to participate in festivities in Arroyo Grande.

Councilmember Patino reported that on July 23rd she attended the Area 9 Scoping Meeting. Last week she attended a Community Anti-Drug Coalition of America (CADCA) conference on alconol and drugs. She felt the City Council needed to be more responsible in approving ABC licenses in the future.

Mayor Lavagnino reported on July 17th he met with members of the Police Department at a barbecue. On Friday, July 18th he toured the new library again. July 21st, he attended the Marian Medical Center Cogeneration Energy Plant dedication. July 29th, he attended the Hancock Family naming of the new Popular Library ceremony. Also on July 29th, he attended the funeral of Don McCall. On July 31st, he appeared on the Andy Caldwell radio show. On August 2nd, he attended Joe Hagerman's funeral. He also attended the Class of 1953's 55th high school reunion.

Councilmember Zacarías participated in the Boy Scouts Soccer Event at Pioneer High School. She attended the Queen coronation for St. John Neumann Church's Annual Fiesta. She attended the Pueblo Annual Dinner in Santa Barbara. She invited the Council to attend the Future Leaders of America annual banquet on Friday at 5:00 p.m. at Pioneer High School.

Councilmember Orach reported that he attended the Cogeneration Plant opening, the Hancock dedication at the Library, the Boy Scouts Soccer Event, and the Joe Hagerman funeral.

CLOSED SESSION

The City Council recessed to a Closed Session at 8:30 p.m. to discuss Conference with Legal Counsel - regarding existing litigation pursuant to Subsection (a) of Government Code Section 54956.9 to discuss Santa Maria Valley Water Conservation District v. City of Santa Maria.

Following the Closed Session, the following report was given:

Santa Maria Valley Water Conservation District – A status report and direction to staff was given.

ADJOURNMENT

There being no further business to come before the City Council at this time, the meeting was declared adjourned at 9:03 p.m. in memory of Joe Hagerman who passed away on July 16, 2008.

APPROVED

August 19, 2008
Date

Patricia Ackley
Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Patricia Ackley
Chief Deputy City Clerk

S. J. Lavagnino
Mayor of the City of Santa Maria